GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2418
ANSWERED ON:09.05.2016
Refund Claims of Exporters
Nishad Shri Ajay

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the guidelines under which refund claims of exporters are accepted/granted;
(b) the total number of claims of exemption from excise duty/ refund claims received during the last three years including those rejected along with the reasons therefor;
(c) whether exporters are entitled to resubmit a rejected claim on emergence of new facts; and
(d) if so, the details of the procedure followed in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) and (b): The guidelines under which claims for refund of Terminal Excise Duty and Deemed Export Drawback are accepted/granted are contained in Chapter 7 of the Foreign Trade Policy (FTP) 2015-20, titled "Deemed Exports". The categories of supply are mentioned in Para 7.02 of the FTP and the conditions for refund are contained in Para 7.05 and Para 7.06 of the FTP. Ten thousand and nineteen claims of refund against supplies under deemed exports, including those rejected, were received during the last three years i.e. 2013-14, 2014-15 and 2015-16. The major reasons for rejection included the supplies being ab-initio exempt from payment of duty; supplies to ineligible categories of projects; cases being time-barred; supplies being of goods directly imported and supplied instead of having been manufactured in India; suppliers being ineligible; supplied goods being inadmissible for refund and non-submission of prescribed documents.

(c) and (d): An exporter is entitled to resubmit a rejected claim on emergence of new facts, for which the applicant needs to submit a letter pointing out the grounds for reconsideration.
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